

CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE:

Investment Account Disclosure

MEETING DATE:

October 21, 1998

PREPARED BY:

Deputy Treasurer

RECOMMENDED ACTION:

That the City Council by motion/action accept the quarterly report of the City of Lodi pooled money investment account as required by SB564.

BACKGROUND INFORMATION:

The investment report is currently included in the monthly executive report distributed to Council. SB564 required local agency treasurers to submit a report on investments at a public meeting. The City of

Lodi has an investment policy, which is submitted to council for approval on an annual basis. Copies of the policy are available in the Finance Department. In addition to the quarterly report on investments in the City of Lodi pooled money investment account, a breakdown Treasury Inventory by type has been included in a chart format. Also included is the most current report of the Local Agency Summary of Investment Data and the State of California pooled money investment account market valuation.

The City of Lodi maintains membership in the California Municipal Treasurers Association and conforms to guide lines set forth by the CMTA investment report committee. The Finance Department will continue to include the investment report monthly as part of the executive report.

FUNDING: None.

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Finance Director/Treasurer

APPROVED:

H. Dixon Flynn -- City Manager

City of Lodi Portfolio Management Portfolio Summary September 30, 1998

Investments	Par Value	Market Value	Book Value	% of Portfolio	Average Term	Average Days to Maturity	Yield to 360 Equivalent	Maturity 365 Equivalent
Local Agency Investment Funds	20,100,000.00	20,100,000.00	20,100,000.00	74.17	1	1	5.575	5.652
Certificates of Deposit - Bank	1,300,000.00	1,300,000.00	1,300,000.00	4.80	354	87	5.048	5.119
Passbook/Checking Accounts	2,201,419.22	2,201,419.22	2,201,419.22	8.12	1	1	1.035	1.049
Federal Agency Issues - Coupon	3,500,000.00	3,518,830.00	3,500,208.33	12.92	1,146	973	6.032	6.032
Total Investments and Averages	27,101,419.22	27,120,249.22	27,101,627.55	100.00%	166	131	5.240%	5.302%
Cash								
Passbook/Checking (not included in yield calculations)	0.00	0.00	0.00				0.000	0.000
Accrued Interest at Purchase		1,170.56	1,170.56					
Total Cash and Purchase Interest		1,170.56	1,170.56					
Total Cash and Investments	27,101,419.22	27,121,419.78	27,102,798.11					
Total Earnings	September 30 Month Ending	Fiscal Year To D	ate					
Current Year	123,656.47	392,708	.70					
Average Daily Balance	27,500,734.47	28,939,385	.28					
Effective Rate of Return	5.47%	5	.38%					

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Marcella Maxine Cadwallader Revenue Manager/Deputy Treas.

Date

Based on the approved budget and to the extent the budget is adhered to, liquidity is available for the next three to six months. Union Bank of California is the source of market valuation.

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Portfolio Management Portfolio Details - Investments September 30, 1998

CUSIP	Investment	# Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	Moody's		Days To Maturity
Local Agency I	nvestment Fund	ls										
	1000	Local Agency Invest. I	und		13,000,000.00	13,000,000.00	13,000,000.00	5.652	5.575			1
	1001	Local Agency Inv Fun	d (LPIC)		7,100,000.00	7,100,000.00	7,100,000.00	5.652	5.575			1
	:	Subtotal and Average	21,446,666.67		20,100,000.00	20,100,000.00	20,100,000.00	_	5.575			1
Certificates of	Deposit - Bank											
	4	Central Sierra Bank		09/15/1998	100,000.00	100,000,00	100,000.00	4.290	4.290		04/15/1999	9 196
	2072	Farmers and Merchan	ts Bank	12/20/1997	1,000,000.00	1,000,000.00	1,000,000.00	5.050	5.050		12/21/1998	8 81
	2062	Bank of Lodi		10/24/1997	100,000.00	100,000.00	100,000.00	5.200	5.200		10/26/1998	3 25
	2071	Stockton Savings Ban	k	01/09/1998	100,000.00	100,000.00	100,000.00	5.640	5.640		01/11/1999	9 102
	;	Subtotal and Average	1,296,666.67		1,300,000.00	1,300,000.00	1,300,000.00	_	5.048			87
Passbook/Che	cking Accounts											
	4003	Bank of America		07/01/1998	138,816.82	138,816,82	138,816.82					1
	4000	Farmers & Merchants			2,062,602.40	2,062,602.40	2,062,602.40	1.120	1.105			1
	:	Subtotal and Average	1,257,179.90	_	2,201,419.22	2,201,419.22	2,201,419.22	_	1.035			1
Federal Agency	y Issues - Coup	on										
3133M4TB9	1	Feredal Home Loan B	ank (call)	07/09/1998	500,000.00	503,595.00	500,000.00	5.910	5.910		07/09/2001	1 1,012
3133M2BLO	8010	Feredal Home Loan B	ank (call)	11/24/1997	500,000.00	500,860.00	500,000.00	6.120	6.036		11/24/2000	785
3133M2NZ6	8011	Feredal Home Loan B	ank (call)	12/22/1997	500,000.00	501,405.00	500,000.00	6.145	6.145		12/22/2000	813
3133M45Z2	8013	Feredal Home Loan B	ank (call)	05/06/1998	1,000,000.00	1,006,250.00	1,000,000.00	6.060	6.060		11/06/2001	1,132
31364FL4	8014	Fannie Mae callable n	ote	06/04/1998	1,000,000.00	1,006,720.00	1,000,208.33	6.020	6.008		05/25/2001	967
	;	Subtotal and Average	3,500,221.24		3,500,000.00	3,518,830.00	3,500,208.33	_	6.032			973
	Total Inve	stments and Average	27,500,734.47		27,101,419.22	27,120,249.22	27,101,627.55		5.240			131

Portfolio Management Investment Activity By Type September 1, 1998 through September 30, 1998

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Sales/Maturities or Withdrawals	Balance
Local Agenc	y Investment Funds	(Monthly Summary)			·····		
	1001	Local Agency Inv Fund (LPIC)	5.652		1,400,000.00	2,900,000.00	
		Subtotal			1,400,000.00	2,900,000.00	20,100,000.00
Certificates of	of Deposit - Bank						
	2075	Central Sierra Bank	4.300	09/15/1998	0.00	100,000.00	
	4	Central Sierra Bank	4.290	09/15/1998	100,000.00	0.00	
		Subtotal			100,000.00	100,000.00	1,300,000.00
Passbook/Cl	hecking Accounts (M	onthly Summary)					
	4003	Bank of America			1,629,890.43	1,726,016.70	
	4000	Farmers & Merchants	1.120		10,200,671.10	9,127,745.53	
		Subtotal			11,830,561.53	10,853,762.23	2,201,419.22
Federal Ager	ncy Issues - Coupon						worder word fill the state of t
		Subtotal					3,500,208.33
		Total			13,330,561.53	13,853,762.23	27,101,627.55

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Portfolio Management Investment Activity Summary September 1997 through September 1998

				Yiel	d to Maturity	Managed	Number	Number		
Month End Year	Year	Number of Securities	Total Invested	360 Equivalent	365 Equivalent	Pool Rate	of Securities Purchased	of Securities Matured / Sold	Average Term	Average Days to Maturity
September	1997	10	23,757,904.15	5.164	5.235	5.690	1	1	107	31
October	1997	10	21,669,355.71	5.182	5.254	5.707	1	1	118	31
November	1997	10	19,024,926.06	5.342	5.416	5.705	1	1	93	59
December	1997	11	19,004,586.78	5.166	5.238	5.715	2	1	122	102
January	1998	10	17,905,056.75	5.228	5.300	5.744	1	2	89	82
February	1998	11	21,046,232.65	5.309	5.382	5.742	1	0	102	92
March	1998	11	20,368,419.55	5.106	5.177	5.720	0	0	105	91
April	1998	11	33,918,084.92	5.407	5.483	5.680	0	0	63	53
May	1998	12	31,872,427.77	5.565	5.643	5.672	1	0	108	92
June	1998	13	31,682,836.07	5.578	5.655	5.673	1	0	142	123
July	1998	14	26,383,809.36	5.579	5.644	5.672	5	0	192	162
August	1998	13	27,624,854.96	5.416	5.480	5.672	0	1	163	133
September	1998	13	27,101,627.55	5.240	5.302	5.652	1	1	166	131
	Averag	e 11	24,720,009.41	5.329%	5.401%	5.696	1	1	121	91

Portfolio Management Distribution of Investments By Type September 1997 through September 1998

Investment Type	September 1997	October 1997	November 1997	December 1997	January 1998	February 1998	March 1998	April 1998	May 1998	June 1998	July 1998	August Se 1998	eptember 1998	Average by Period
Local Agency Investment Funds	75.3	74.1	78.8	72.6	78.4	79.5	74.8	87.2	87.2	84.0	78.8	78.2	74.2	78.7%
Certificates of Deposit - Bank	5.5	6.0	6.8	6.8	7.3	6.2	6.4	3.8	4.1	4.1	4.9	4.7	4.8	5.5%
Certificates of Deposit - S & L														
Passbook/Checking Accounts	10.8	10.7	6.4	10.0	8.7	7.2	11.4	4.6	0.9	0.9	1.1	4.4	8.1	6.6%
Commercial Paper - Interest Bearing					***************************************									
Repurchase Agreements														
Federal Agency Issues - Coupon	4.2	4.6	7.9	10.5	5.6	7.1	7.4	4.4	7.8	11.1	15.2	12.7	12.9	8.6%
Treasury Securities - Coupon	4.2	4.6							***************************************					0.7%
Mortgage Backed Securities						, ,	***							
Bankers Acceptances -Amortizing														
Commercial Paper DiscAmortizing					· · · · · ·									
Federal Agency DiscAmortizing		•		···· · · · · · · · · · · · · · · · · ·										
Treasury Discounts -Amortizing														
Miscellaneous Discounts -Amortizing								·						

Portfolio Management Interest Earnings Summary September 30, 1998

	September 30 Month Ending	Fiscal Year To Date	
CD/Coupon/Discount Investments:			· · · · · · · · · · · · · · · · · · ·
Interest Collected	998,04	31,815.65	
Plus Accrued Interest at End of Period	84,107.98	84,107.98	
Less Accrued Interest at Beginning of Period	(61,996.85)	(43,470.61)	
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)	
Interest Earned during Period	23,109.17	72,453.02	
Adjusted by Premiums and Discounts	-2 6.71	-80.13	
Adjusted by Capital Gains or Losses	0.00	0.00	
Earnings during Period	23,082.46	72,372.89	
Pass Through Securities:			
Interest Collected	0.00	0.00	
Plus Accrued Interest at End of Period	0.00	0.00	
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)	
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)	
Interest Earned during Period	0.00	0.00	
Adjusted by Premiums and Discounts	0.00	0.00	
Adjusted by Capital Gains or Losses	0.00	0.00	
Earnings during Period	0.00	0.00	
Cash/Checking Accounts:			
Interest Collected	1,182.22	401,434.83	
 Plus Accrued Interest at End of Period 	317,537.31	317,537.31	
Less Accrued Interest at Beginning of Period	(218,145.52)	(398,636.33)	
Interest Earned during Period	100,574.01	320,335.81	
Total Interest Earned during Period	123,683.18	392,788.83	
Total Adjustments from Premiums and Discount	ts -26.71	-80.13	
Total Capital Gains or Losses	0.00	0.00	
Total Earnings during Period	123,656.47	392,708.70	

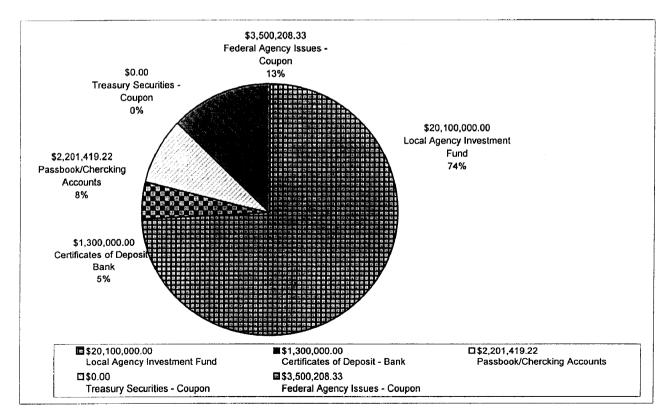
BREAKDOWN OF TREASURY INVENTORY BY TYPE

September 1998

Type of Security	
Local Agency Investment Fund	
Certificates of Deposit - Bank	
Passbook/Chercking Accounts	
Treasury Securities - Coupon	
Federal Agency Issues - Coupo	n

<u>Amount</u>	Percent of Portfolio
\$20,100,000.00	74.165288%
\$1,300,000.00	4.796760%
\$2,201,419.22	8.122830%
\$0.00	0.000000%
\$3,500,208.33	12.915122%
\$27,101,627.55	100.00%

Maximum Maturity Indefinite 5 years Indefinite 5 years 5 years



POOLED MONEY INVESTMENT ACCOUNT

SUMMARY OF INVESTMENT DATA

A COMPARISON OF AUGUST 1998 WITH AUGUST 1997 (Dollars in Thousands)

	AUGUST 1998	AUGUST 1997	CHANGE
Average Daily Portfolio	\$31,350,849	\$27,688,353	+ \$3,662,496
Accrued Earnings	\$150,496	\$133,804	+\$16,692
Effective Yield	5.652	5.690	038
Average Life—Month End (in days)	201	218	- 17
Total Security Transactions			
Amount Number	\$25,113,159 550	\$57,672,668 1,244	-\$32,559,509 -694
Total Time Deposit Transactions			Assailing.
Amount Number	\$1,023,200 53	\$581,700 37	+ \$441,500 +16
Average Workday Investment Activity	\$1,244,589	\$2,774,017	-\$1,529,428
Prescribed Demand Account Balances			· · · · · · · · · · · · · · · · · · ·
For Services For Uncollected Funds	\$132,551 \$151,320	\$170,159 \$149,733	- \$37,608 +\$1,587

LOCAL AGENCY INVESTMENT FUND* SUMMARY OF ACTIVITY

AUGUST 1998

BEGINNING BALANCE	DEPOSITS	WITHDRAWALS	MONTH END BALANCE	
\$12,534,366,324.29	\$1,455,236,262.40	\$1,287,405,500.55	\$12,702,197,086.14	

^{*}Local Agency Investment Fund Invested Through Pooled Money Investment Account

State of California Pooled Money Investment Account Market Valuation 8/31/98

Description	Ca	rrying Cost Plus	rili i			
	Accr	ued Interest Purch.	1 25.00	Fair Value	Ac	crued Interest
United States Treasury:						
Bills	\$	2,291,093,290.97	\$	2,348,019,900.20		NA
Notes	\$	5,223,903,655.58	\$	5,251,605,675.00	\$	49,530,353.08
Federal Agency:						
Bonds	\$	1,921,458,705.22	\$	1,924,444,733.75	\$	22,771,286.99
Floaters	\$	170,000,000.00	\$	169,934,900.00	\$	500,725.30
MBS	\$	119,461,096.99	\$	121,411,398.63	\$	703,097.82
GNMA	\$	2,229,571.74	\$	2,548,823.77	\$	22,076.24
SBA	\$	254,533,343.97	\$	255,760,872.88	\$	2,535,394.31
FHLMC PC	\$	21,386,752.45	\$	22,870,147.24	\$	343,264.75
Discount Notes	\$	754,400,635.01	\$	761,846,832.50		NA
Bankers Acceptances		NA		NA		NA
Corporate:			i			
Bonds	\$	1,003,589,872.02	\$	1,004,257,398.60	\$	20,644,705.56
Floaters	\$	757,753,898.19	\$	754,393,553.50	\$	5,900,707.20
CDs	\$	6,303,687,876.91	\$	6,297,670,337.59	\$	77,250,671.92
Bank Notes	\$	1,255,977,492.87	\$	1,255,686,096.89	\$	11,550,779.18
Repurchase Agreements	\$	340,000,000.00	\$	340,000,000.00		NA
Time Deposits	\$	1,763,390,000.00	\$	1,763,390,000.00		NA
AB 55 & GF Loans	\$	1,999,517,429.00	\$	1,999,517,429.00		NA
Commercial Paper	\$	6,594,684,749.98	\$	6,665,838,852.43		NA
Reverse Repurchase	\$	(321,670,950.00)	\$	(321,670,950.00)	\$	(770,593.91)
TOTAL	\$	30,455,397,420.90	\$	30,617,526,001.98	\$	190,982,468.44

Fair Value Including Accrued Interest

30,808,508,470.42

\$

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).